

**DRAFT – SUBJECT TO COMMITTEE APPROVAL**

**OLD DOMINION UNIVERSITY  
BOARD OF VISITORS**

**AUDIT COMMITTEE  
Thursday, December 8, 2016**

**MINUTES**

The Audit Committee of the Board of Visitors met on Thursday, December 8, 2016 at 8:01 a.m. in the Board of Visitors Room on the Norfolk campus. Present from the Committee were:

Fred Whyte, Chair  
Frank Reidy, Vice Chair  
Carlton R. Bennett, Esq. '72 (*ex-officio*)  
Mary E. Maniscalco-Theberge '78  
Robert M. Tata '86

Other Board of Visitors members present were:

None

Absent were:

Donna Scassera

Also present were:

President John R. Broderick	Ellen Neufeldt
Giovanna Genard	Thomas Odom
Candice Goodin	Amanda G. Skaggs
Velvet L. Grant	Deb Swiecinski
Casey Kohler	Rusty Waterfield
Donna W. Meeks	James D. Wright
R. Earl Nance	

The Chair called the meeting to order at 8:01 a.m. Dr. Maniscalco-Theberge moved to approve the minutes from the September 22, 2016 meeting. Mr. Reidy seconded the motion and the  
*(Maniscalco-Theberge, Reidy, Tata, Whyte)*

Mr. Whyte opened the meeting as the new committee chair by reading the charter of the Board of Visitors Audit Committee (see attachment) and reflected on the importance of the Committee's work to protect the reputation and integrity of the University. He noted that within the last





Dr. Maniscalco-Theberge inquired if the University is responsible for completing a Statement of Assurance for the Commonwealth. This document declares that the institution has various financial controls in place. Deb Swiecinski explained that in the Commonwealth, the Agency Risk Management Internal Control Standard (ARMICS) contains a similar requirement and the President is required to sign a statement as part of the annual submission for ARMICS.

Next, Ms. Skaggs discussed the annual audit of the Office of the President and Special Events, an integrated audit of Distance Learning, and the annual report on the Status of Past Audit Recommendations.

### **1: Office of the President and Special Events**

The objectives of this audit were to determine if: 1) spending was in compliance with applicable state and University policies; 2) expenditures were reasonable and appropriate for the function of the President's Office; and, if 3) expenditures were properly recorded and documented. The overall risk rating was low. This is an inherent risk rating based on the most recent annual assessment. The conclusion was that the system of internal controls over the Office of the President was strong during the period of review. The department is functioning in accordance with state and university policies, and there were no audit findings. The audit scope was from July 1, 2015 to June 30, 2016. Categories of expenditures reviewed included travel, memberships, entertainment (i.e. dinners and reception (r)3nglnPir04 Tc 02m (x)-10c(e)-6 (pt)-2 (i)-2 (on A)3.-





**3: Status of Prior Audit Recommendations**

### **Audit Recommendations Completed this Period**

<b>Audit Title</b>	<b>Audit Report Date</b>	<b>Issues Remaining</b>	<b>Complete this Period</b>	<b>Remaining as of 11/30/16</b>
Virtual Computing Environment	4/15/2014	1	1	0
Continuity of Operations Planning	7/29/2014	1	1	0

### **Audit Recommendations in Progress**

Mr. Tata inquired about lessons learned from the funds labeled for “strategic investments” at UVA, how their Board of Visitors missed the funds during audits, and any legislation resulting from this. He also asked if this is an area that would involve the internal audit department. Ms. Skaggs responded that it depends upon where the funds are held. University foundations are separate entities and do not fall under the Internal Auditor Office’s purview. Ms. Swiecinski added that the University is required annually to submit a report to the Department of Public Accounts about funds that are available in local banks. After the UVA incident, universities are

now required to submit a report to the State Council of Higher Education in Virginia (SCHEV) that lists all unrestricted accounts. This information was reviewed by the Auditor of Public Accounts and a report was issued. She noted that the upcoming legis

## **Charter for the Board of Visitor's Audit Committee**

The Audit Committee helps the Board fulfill its financial oversight and compliance responsibilities. The Committee is responsible for (1) oversight of financial reporting and financial statement matters and any critical accounting and reporting issues; (2) reviewing annually the audited financial statements with internal auditors, determining that the administration has been open and has acted in good faith in connection with the audit; and (3) oversight of the internal audit function, including receiving reports and approval of the annual audit plan. Members of the Audit Committee should have some basic knowledge of generally-accepted accounting procedures and financial reporting and controls. Members of the Audit Committee may serve on the Administration and Finance Committee; however, a majority of the Audit Committee may not serve on the Administration and Finance Committee. The Committee may also receive reports from the University Auditor on matters of economy, efficiency and effectiveness of operations and internal controls.